

Summary of Religious Inclusion in Title IV Grant Making

Overview

The intention of these negotiations is to remove regulatory language that is inconsistent with the 2017 U.S. Supreme Court ruling in *Trinity Lutheran Church v. Comer*, which held that religious institutions could not be excluded from participating in publically-funded programs if those programs have a secular intent.

We also intend to use this opportunity to make technical corrections and clarifying edits to better conform with statute and provide greater regulatory clarity.

Summary of Proposed Changes

PART 674—FEDERAL PERKINS LOAN PROGRAM

- The Federal Perkins Loan Program provided low interest loans to help students finance the costs of postsecondary education. Individuals are eligible to receive a deferment from repaying their Perkins Loan by fulfilling various requirements.

§675.9 Student Eligibility

- Although the program is no longer disbursing new loans, we propose to delete restrictions in the Perkins Loan regulations that restrict a borrower who volunteers for an organization with a religious mission from deferring payments on a Perkins Loan.

§674.35 Deferment of repayment—Federal Perkins loans made before July 1, 1993

- In §674.35(c)(5), delete section (iv) that pertains specifically to a borrower who, as part of his or her duties, gives religious instruction, conducts worship service, engages in religious proselytizing, or engages in fundraising to support religious activities.

§674.36 Deferment of repayment—NDSLs made on or after October 1, 1980, but before July 1, 1993

- In §674.36, delete section (c)(4)(iv) that pertains specifically to a borrower who, as part of his or her duties, gives religious instruction, conducts worship service, engages in religious proselytizing, or engages in fundraising to support religious activities.

PART 675—FEDERAL WORK-STUDY PROGRAMS

- Federal Work-Study (FWS) provides part-time jobs for undergraduate and graduate students with financial need, allowing them to earn money to help pay education expenses. We propose

to delete the statements in the FWS regulations that restrict an otherwise qualified member of a religious order from receiving Federal Work Study funds.

§675.9 Student eligibility

- We propose to change the statement in the FWS regulations that restricts a recipient from being involved in work at facilities used for religious worship. We propose that an FWS recipient may be involved with the construction of any facility, but may not be involved in constructing the portion of a facility that will be used for religious worship.

§675.20 Eligible employers and general conditions and limitation on employment

- We propose to delete the statements in the FWS regulations that restrict a recipient from working for an organization that primarily benefits the members of a religious order.

PART 676—FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANT PROGRAM

- The FSEOG program is need based grant aid that is awarded to students to pursue postsecondary education. We are proposing to delete the statements in the FSEOG regulations that restrict an otherwise qualified member of a religious order from receiving FSEOG funds.

§676.9 Student eligibility

- We propose to delete eligibility requirements that pertain specifically to student who are members of a religious order (an order, community, society, agency, or organization) and who are pursuing a course of study at an institution of higher education.

PART 682—FEDERAL FAMILY EDUCATION LOAN (FFEL) PROGRAM

- Under the Federal Family Education Loan (FFEL) Program, private lenders made federal student loans to students, and guaranty agencies insured these funds, which were, in turn, reinsured by the federal government. We are proposing to delete the statements in the FFEL regulations that restrict a volunteer engaging in religious activities from deferring payments on loans made under the FFEL program

§682.210 Deferment

- In §682.210(m)(1), delete section (iv), which excludes borrowers who, as part of his or her duties, gives religious instruction, conducts worship services, engages in religious proselytizing, or engages in fund-raising to support religious activities.

- The Federal government will at times pay all or a portion of the interest that accrues on Stafford loans or Consolidation loans if the borrower fulfills certain requirements. We are proposing to delete regulations that restrict a member of a religious order from qualifying for this benefit.

§682.301 Eligibility of borrowers for interest benefits on Stafford and Consolidation loans

- There are several types of loans granted under the William D. Ford Federal Direct Loan Program, including subsidized loans, unsubsidized loans, and PLUS loans (for Parents of dependent students and graduate students). We are proposing to delete the regulations that restrict an otherwise qualified member of a religious order from receiving Direct Loans
- We also propose to delete regulations that address limitations on the consolidation of HEAL loans that are no longer relevant.

PART 685—WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM

§685.200 Borrower eligibility

- The Public Service Loan Forgiveness Program provides loan forgiveness for individuals that fulfill certain loan, repayment and employment criteria. The regulations define “public service organization” and work that would fulfill acceptable employment for loan forgiveness. We propose to eliminate the restriction on otherwise qualified work that involves religious instruction, worship service and proselytizing from receiving loan forgiveness under PSLF.

PART 690—FEDERAL PELL GRANT PROGRAM

§690.75 Determination of eligibility for payment

- A Pell Grant is need based grant aid that is awarded to students to pursue postsecondary education. We propose to delete the regulations that restrict an otherwise qualified member of a religious order from receiving Pell Grant funds.

PART 692—LEVERAGING EDUCATIONAL ASSISTANCE PARTNERSHIP PROGRAM

§692.30 How does a State administer its community service-learning job program?

- We propose to delete regulations that exclude from eligibility community service-learning jobs that involve the construction, operation, or maintenance of any part of a facility used or to be used for religious worship or sectarian instruction.

PART 694—GAINING EARLY AWARENESS AND READINESS FOR UNDERGRADUATE PROGRAMS (GEAR UP)

§ 694.5 What requirements must be met by a Partnership or State that chooses to provide services to private school students under the program's early intervention component?

- We propose to delete regulations that require educational services or other benefits, including materials and equipment, provided under GEAR UP by a Partnership or State that chooses to provide those services or benefits only to students attending private schools that are determined to be secular, neutral, and non-ideological. This deletion is technical in nature as it is redundant to the Establishment Clause of the U.S. Constitution and to the requirements of the GEAR UP program, including that the funds be used to increase the number of low-income students who are prepared to enter and succeed in postsecondary education.

§694.6 Who may provide GEAR UP services to students attending private schools?

- We propose to delete regulations that require the employee, individual, association, agency, or organization to be independent of the private school that the students attend, and of any religious organization affiliated with the school, and that employment or contract must be under the control and supervision of the public agency.
- We also propose to delete regulations that require Federal funds used to provide GEAR UP services to students attending private schools not be commingled with non-Federal funds. This deletion is technical in nature as it is redundant to requirements in the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in § 2 CFR 200.

§694.10 What are the requirements that a Partnership must meet in designating a fiscal agent for its project under this program?

- We propose to delete the regulatory restriction on organizations that are pervasively sectarian.